



# Annual Report

FOR THE FISCAL YEAR  
ENDING DECEMBER 31<sup>ST</sup>

**1963**







**DIRECTORS**

W. C. BENNETT

J. R. BRADFIELD

HON. J. A. BRILLANT

R. L. HEARN

L. G. LUMBERS

ALFRED POWIS

HON. FRANK M. ROSS

J. H. STEVENS

WILLIAM STEVENSON

L. H. TIMMINS

O. W. TITUS

**OFFICERS**

J. R. BRADFIELD, *Chairman of the Board*

O. W. TITUS, *Vice-Chairman*

L. G. LUMBERS, *President-Chief Executive Officer*

J. H. STEVENS, *Vice-President, Sales & Engineering*

WM. STEVENSON, *Vice-President, Manufacturing & Finance*

E. G. LAMBERT, *Chief Financial Officer*

A. L. IRWIN, *Secretary*

G. E. FOOTIT, *Treasurer*

J. P. RIXON, *Assistant Treasurer*

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# CANADA WIRE

**Canada Wire and Cable Company Limited**

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**HEAD OFFICE**

*147 Laird Drive, Toronto, (Leaside), Ontario.*

**TRANSFER AGENT**

EASTERN & CHARTERED TRUST COMPANY,  
*Toronto, Montreal*

**BANKERS**

THE CANADIAN IMPERIAL BANK OF COMMERCE  
THE BANK OF NOVA SCOTIA  
THE ROYAL BANK OF CANADA

**AUDITORS**

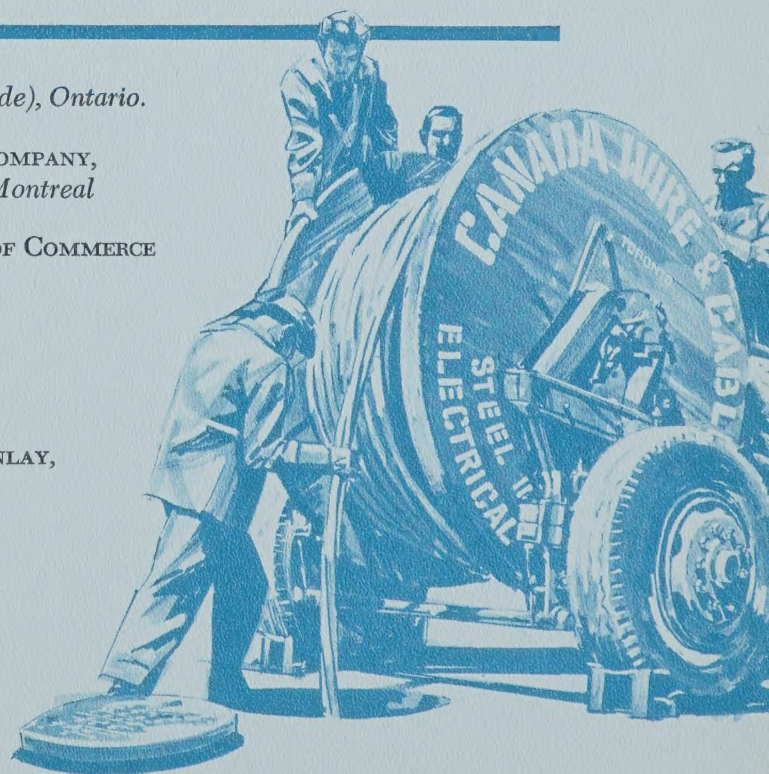
TOUCHE, ROSS, BAILEY & SMART

**GENERAL COUNSEL**

HOLDEN, MURDOCK, WALTON, FINLAY,  
ROBINSON & PEPALL, *Toronto*

**ANNUAL MEETING**

*2.15 p.m. April 8th, 1964, King Edward Sheraton Hotel, Toronto*





# Canada Wire and Cable Company Limited

## Operations

### GENERAL WORKS MANAGER

D. S. Grant

### MAIN PLANT

147 Laird Drive, Toronto, (Leaside), Ontario  
A. Scott, Production Manager

### BRANCH PLANTS

West Coast Plant, Annacis Island, New Westminster, B.C.  
James Philip, Manager

Montreal East Plant, Montreal East, Quebec  
J. J. Spry, Manager

Fort Garry Plant, Fort Garry, Manitoba  
Wm. McCrone, Manager

Weyburn Plant, Weyburn, Saskatchewan  
S. R. Murray, Manager

Atlantic Plant, Lancaster, New Brunswick  
R. M. Thompson, Manager

### DIVISIONAL PLANT

Magnet Wire Division, Simcoe, Ontario  
A. V. Armstrong, Manager  
Philip Legros, Superintendent

### SUBSIDIARY COMPANIES

Telecables & Wires Ltd., Fort Garry, Manitoba  
H. O. Coish, Vice-President

Canada Wire and Cable (International) Limited,  
P.O. Box 1355, Nassau, Bahamas  
A. N. Fenn, Manager

### ASSOCIATED COMPANIES

Wire Rope Industries of Canada Ltd.,  
44 King Street West, Toronto, Ontario

Grandview Industries (1964) Ltd.,  
3185 Grandview Highway, Vancouver, B.C.

Fabrica de Alambres Tecnicos, (Faldaltec S.A.)  
Calle 21, No. 67-62, Bogota D.E., Colombia

Industria de Conductores Electricos C.A. (Iconel C.A.)  
Apartado 11513 (Este), Caracas, Venezuela

Conductores Monterrey, S.A.,  
P.O. Box 2039, Monterrey N.L., Mexico



## Directors' Report



L. G. Lumbers, President

### TO THE SHAREHOLDERS

We are pleased to report improved performance in your Company's operations during the past year.

Sales volume, both in the home and export markets, was greater than in 1962. The order backlog at the end of 1963, while down from a year ago, remained at a high level. Prospects for another good sales year in 1964 are favourable.

Net profits after taxes, at \$1,243,000, increased 8% over 1962. Earnings were equal to \$1.16 per share; the highest rate since 1956. In addition, your Company's share of earnings retained in associated Companies, and not consolidated with our earnings, was equal to 25¢ per share.

The continued expansion of domestic operations, the trend to greater sales from stock, and the level of inventories required to support these sales, made an increase in working capital necessary. To provide this, your Directors approved the issue, on June 1, 1963, of \$5,000,000 of 5% Sinking Fund Debentures, maturing in 20 years. These bonds were placed privately.

The past year was marked by changes in subsidiaries and associated Companies. These changes are dealt with later. Also begun was a re-arrangement and modernization of the production and research facilities of the main Leaside plant, designed to keep your Company in the forefront of progress in cable manufacturing.

In 1963 the wholly owned subsidiary, Canada Wire Ropes Limited became a part of Wire Rope Industries of Canada Limited. One effect of this change should be drawn to your attention. Consolidated operating profits in 1963 are lower because profits from the wire rope division, a part of the total operating profits in 1962, have been replaced in 1963 by dividends received from our interest in Wire Rope Industries of Canada Limited.

Telecables & Wires Limited, a 55% owned subsidiary engaged in the telephone cable field, had another good year and paid dividends for the first time since the Company's formation in 1956.

Canada Wire and Cable (International) Limited, a wholly owned subsidiary, increased its trading, financial and investment activities throughout the world, particularly in the Latin American countries. Many opportunities for this Company are presenting themselves and are being vigorously pursued.

### ASSOCIATED COMPANIES—CANADIAN

#### Wire Rope Industries of Canada Limited

Effective January 1, 1963, your Company acquired a 40% interest in *Wire Rope Industries of Canada Limited*, Vancouver, B.C. The remaining 60% of



this Company is owned by *British Ropes Limited*, Doncaster, England. *Wire Rope Industries of Canada Limited* owns, directly or indirectly, 100% of each of the following Companies:

*British Ropes Canadian Factory (1963) Limited*, Vancouver, B.C.

*Anglo-Canadian Wire Rope Company Limited*, Lachine, Quebec

*Canada Wire Ropes Limited*, Smiths Falls, Ontario

*Dominion Wire Rope Ltd.*, Lachine, Quebec.

The result of this amalgamation has been to take your Company out of the wire rope business directly, placing it instead in association with the world's largest wire rope manufacturer, whose technical abilities and research facilities are unequalled in this field.

The amalgamation will permit economies in manufacturing and selling not possible to the smaller individual Companies. It also increased Canadian participation in the wire rope industry. Your Directors look forward with confidence to a profitable and happy association with British Ropes Limited.

#### **Grandview Industries (1964) Limited**

This Company, formerly Weyburn Plastics Limited, in which your Company has a 30% interest, acquired the assets of Grandview Industries Limited, Vancouver, B.C. The latter has since been consolidated with Weyburn Plastics Limited and re-constituted as Grandview Industries (1964) Limited.

The enlarged Company has manufacturing facilities in Vancouver, B.C. and Weyburn, Saskatchewan. It has warehousing facilities throughout Western Canada and is in the process of strengthening its sales and warehouse facilities in Eastern Canada.

#### **ASSOCIATED COMPANIES—FOREIGN**

##### **Iconel C. A., Venezuela**

Substantial expansion of this Company has taken place throughout 1963. Further expansion is being planned for 1964.

##### **Conductores Monterrey S. A.—Mexico**

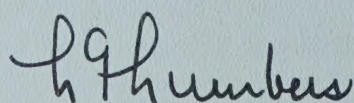
This Company is moving into a new 180,000 square foot plant, completely modern in layout and machinery. Substantial sales increases are anticipated.

##### **Fadaltec S. A.—Colombia**

Our Colombian associates moved into a new plant, completed early in 1963. These new facilities will enable them to take advantage of the rapidly expanding market.

The above foreign Companies operated at a profit.

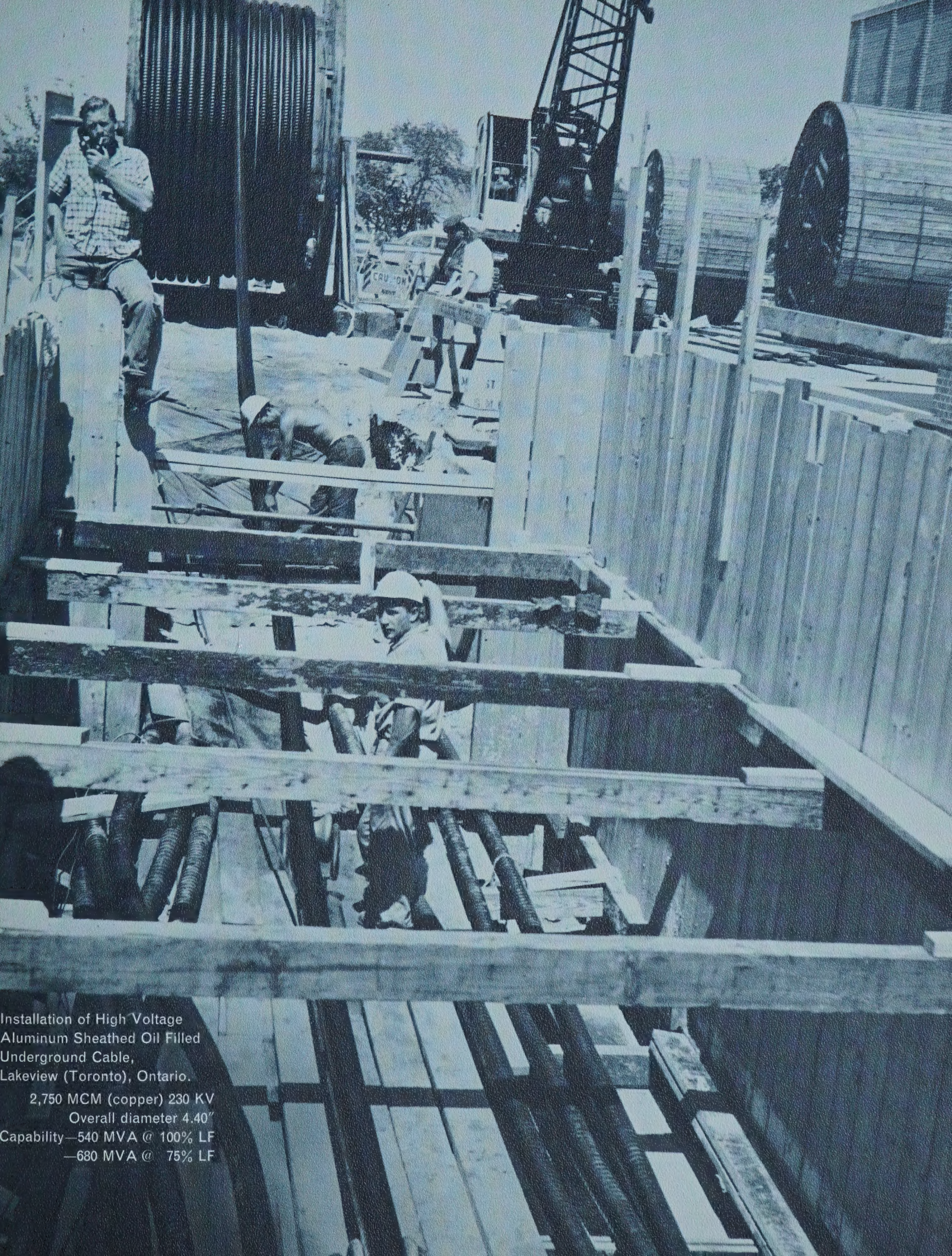
The results of the past year could not have been achieved without the goodwill and strenuous efforts of the management, staff, and employees of the Company. On behalf of the Board, I wish to express our appreciation.



President.

February 18, 1964.





Installation of High Voltage  
Aluminum Sheathed Oil Filled  
Underground Cable,  
Lakeview (Toronto), Ontario.

2,750 MCM (copper) 230 KV  
Overall diameter 4.40"  
Capacity—540 MVA @ 100% LF  
—680 MVA @ 75% LF



# Canada Wire and Cable

(Incorporated under the laws of the Province of Ontario)

and its Wholly Owned Subsidiaries

## Consolidated Balance Sheet

Assets	1962 COMPARATIVE FIGURES	
<b>CURRENT</b>		
Accounts receivable, including \$1,345,603 due from associated companies .....	\$ 7,358,168	\$ 5,418,396
Inventories of raw materials and supplies, work in process and finished goods, at the lower of cost or market .....	13,762,654	14,171,391
	\$21,120,822	19,589,787
Deferred charges and prepaid expenses .....	336,372	372,694
Secured loans to associated companies .....	1,466,593	75,411
Agreements of sale, secured, including associated companies, \$631,784 .....	734,693	129,771
<b>FIXED</b>		
Land, buildings, plant and equipment at cost, less accumulated depreciation of \$15,053,373 .....	8,764,768	9,693,903
Investment in shares of subsidiary and associated companies, at cost .....		
Partially-owned subsidiary .....	962,500	
Associated companies .....	3,761,117	
	4,723,617	1,457,306
Goodwill and patents .....	2	2
	<u>\$37,146,867</u>	<u>\$31,318,874</u>
Approved on behalf of the Board		
O. W. TITUS, Director		
L. G. LUMBERS, Director		

See accompanying notes to financial statements



**Company, Limited**

(In accordance with the laws of Canada)

**Owned Subsidiary**

**as at December 31, 1963**

Liabilities		1962 COMPARATIVE FIGURES
CURRENT		
Short term notes .....	\$ 3,425,000	\$ 6,640,000
Bank advances .....	5,202,216	1,625,856
Accounts payable and accrued liabilities, including \$303,939 due to associated companies .....	3,208,041	3,064,221
Sales and other taxes .....	270,579	317,183
Income taxes .....	393,474	510,113
Long term debt maturing in 1964 .....	130,922	134,755
	<u>\$12,630,232</u>	<u>12,292,128</u>
Deposits on reels in hands of customers .....	897,000	934,000
Deferred interest income .....	120,493	—
Long term debt, after deducting amounts maturing in 1964 (Note 1) .....	5,163,226	417,329
Shareholders' Equity		
SHARE CAPITAL (Note 2)		
Authorized (net after "A" shares converted and cancelled)		
Class "A" common (convertible) 345 shares no par value		
Class "B" common 1,750,000 shares no par value		
Issued and outstanding		
Class "A" 345 shares		
Class "B" 1,069,700 shares	1,728,266	1,668,575
Retained earnings .....	16,607,650	16,006,842
	<u>18,335,916</u>	<u>17,675,417</u>
	<u>\$37,146,867</u>	<u>\$31,318,874</u>

*olidated financial statements.*



**Canada Wire and Cable Company, Limited**  
**and its Wholly-owned Subsidiary**

**Consolidated Statement of Operations and Retained Earnings**

For the year ended December 31, 1963

		1962 COMPARATIVE FIGURES
Profit before giving effect to undernoted items of income and expense .....	\$ 3,508,950	\$ 4,006,915
Add dividends received .....	265,720	—
	<u>3,774,670</u>	<u>4,006,915</u>
Deduct:		
Depreciation .....	\$1,152,938	1,309,629
Executive remuneration and legal fees .....	231,610	184,715
Directors' fees .....	5,300	5,375
Interest on long term debt .....	169,965	35,767
Commission on sale of debentures .....	50,000	—
	<u>1,609,813</u>	<u>1,535,486</u>
Profit before taxes on income .....	2,164,857	2,471,429
Taxes on income (Note 3) .....	922,000	1,318,000
Net profit for the year .....	1,242,857	1,153,429
Retained earnings at beginning of year .....	16,006,842	15,489,987
Deduct:	17,249,699	16,643,416
Dividends paid		
Class "A" shares .....	1,380	1,492
Class "B" shares .....	640,669	635,082
	<u>642,049</u>	<u>636,574</u>
Retained earnings at end of year .....	<u>\$16,607,650</u>	<u>\$16,006,842</u>

*See accompanying notes to consolidated financial statements.*



**Canada Wire and Cable Company, Limited**  
**and its Wholly-owned Subsidiary**

**Notes to Consolidated Financial Statements**

DECEMBER 31, 1963

1. Long term debt is comprised of the following:

	Principal Payments due in 1964	Principal Payments due in Future Years
5½% Sinking fund debentures, secured by trust deed, maturing June 1, 1983. Sinking fund principal repayments of \$250,000 are required in each of the years 1966 to 1982 inclusive .....	—	\$5,000,000
3% Serial debentures, secured by trust deed, of which \$2,905,000 has been redeemed, maturing July 15, 1967 .....	\$ 20,000	75,000
6% Debenture, maturing August 1, 1964 .....	25,090	—
6½% Mortgage, maturing December 31, 1968 in quarterly instalments of \$3,625 including interest .....	10,765	50,692
Notes payable, not subject to interest, maturing in equal instalments on March 1, 1964, September 1, 1964 and March 1, 1965 .....	75,067	37,534
	<u>\$130,922</u>	<u>\$5,163,226</u>

2. Of the 72,000 shares of Class "B" common stock set aside for the granting of options to executives and key personnel, ten-year options have been granted on 36,500 shares at prices based on 95% of market value at the time of granting the options. During the year 8,925 shares were issued for cash under the option plan.

3. In filing its corporation income tax returns for 1963, the company intends to claim for tax purposes capital cost allowances in excess of depreciation recorded in the accounts by an amount of \$33,500. The net book value of depreciable fixed assets exceeds their undepreciated capital cost for income tax purposes by an amount of \$623,000.

**Auditors' Report**

The Shareholders, CANADA WIRE AND CABLE COMPANY, LIMITED

We have examined the consolidated balance sheet of Canada Wire and Cable Company, Limited and its wholly-owned subsidiary as at December 31, 1963 and the related statement of operations and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

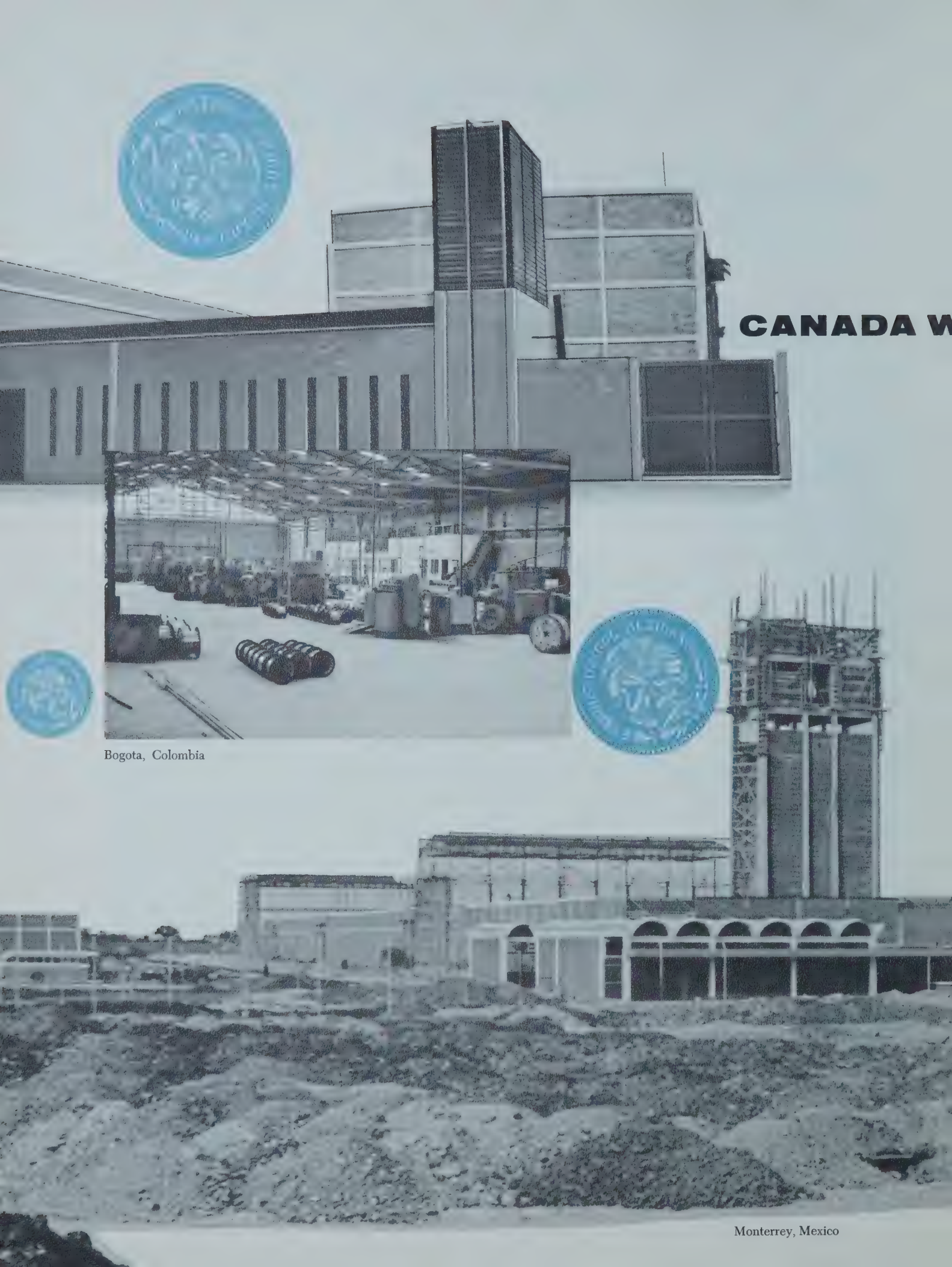
In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the companies, the accompanying consolidated balance sheet and related statement of operations and retained earnings are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company and its wholly-owned subsidiary as at December 31, 1963 and the results of their operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

In accordance with Section 118 of The Companies Act—Canada, we report that the company's share of the profits of its partially-owned subsidiary has been included in the accounts of the company only to the extent of dividends received.

Toronto, Ontario,  
February 18, 1964.

TOUCHE, ROSS, BAILEY & SMART  
Chartered Accountants.





**CANADA W**



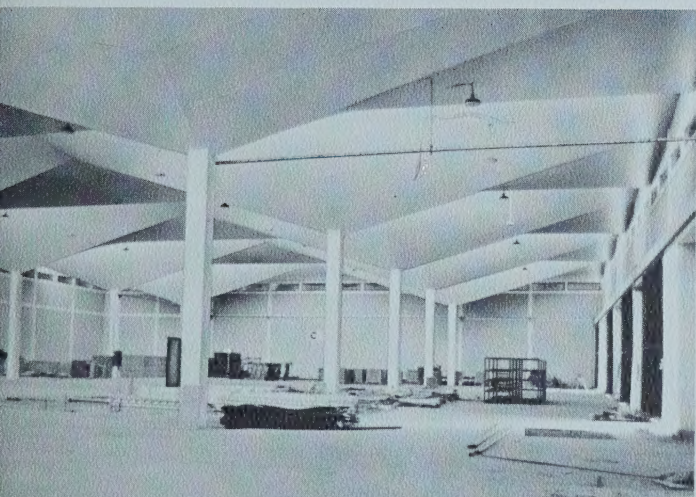
Bogota, Colombia

Monterrey, Mexico





## RE IN LATIN AMERICA



Canada Wire has interests in associated companies in three Latin American countries. These Companies have strong, talented and progressive local management.

At Bogota, Colombia, Fabrica de Alambres Tecnicos S.A. produces building and magnet wires. This new plant, comprising some 60,000 sq. ft., completed in 1963, was largely designed and laid out by Canada Wire engineers.

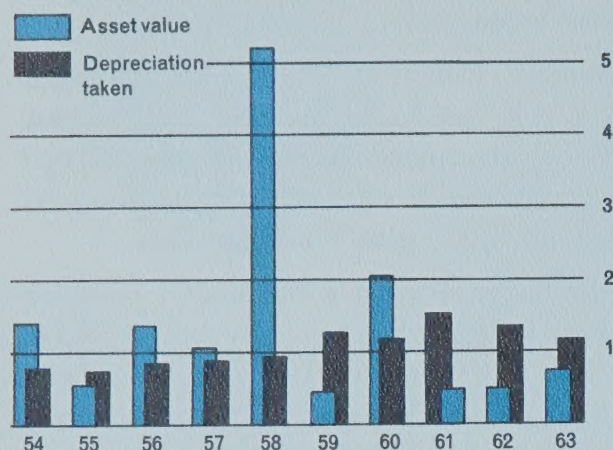
At Monterrey, Mexico, a fine modern plant for Conductores Monterrey S.A. is nearing completion. This plant, scheduled for opening in May 1964, has some 180,000 sq. ft. of manufacturing space, and will have the first Vertical C.V. equipment in Mexico, as well as making available for the first time rubber insulated cable manufactured in that country. Canada Wire's engineering staff again played a prominent part in the design and layout of this plant.

At Caracas, Venezuela, Industria de Conductores Electricos C.A. are at present operating in rented property totalling some 40,000 sq. ft. of manufacturing space. Suitable land, however, has been acquired at Valencia, Venezuela for a new plant. In addition to building wires, the manufacture of polyethylene insulated cable has been added to the more conventional plastic insulations, and it is anticipated that in 1964 cables with voltage ratings of from 5 to 15,000 volts will be manufactured. Canada Wire's engineers are providing technical advice and assistance as the range of products expands.



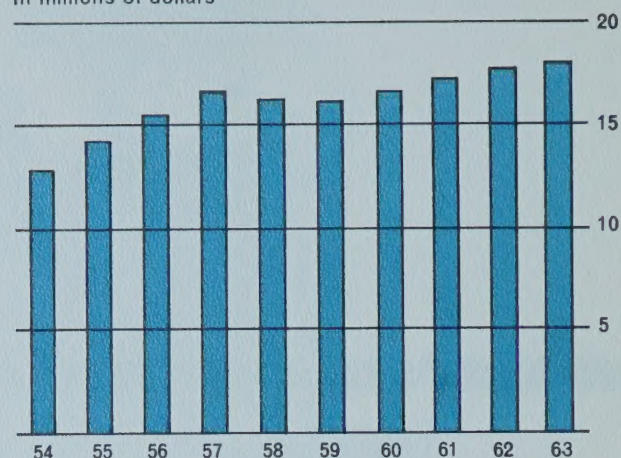
## Capital additions and depreciation

In millions of dollars



## Shareholders' Equity:

In millions of dollars



## Comparative figures for the year 1958-63

	1958	1959	1960	1961	1962	1963
<b>Profit and Loss Account:</b>						
Net Profit as per published statements . . . . .	\$ 503,193	\$ 455,650	\$ 610,429	\$ 849,140	\$ 1,153,429	\$ 1,242,857
<b>Working Capital Account:</b>						
Current Assets . . . . .	15,095,342	15,661,390	14,400,855	17,174,553	19,589,787	21,120,822
Current Liabilities . . . . .	8,076,112	9,429,526	8,382,816	10,596,630	12,292,128	12,630,232
Net Working Capital . . . . .	7,019,230	6,231,864	6,018,039	6,577,923	7,297,659	8,490,590
<b>Year End Inventory</b>						
Values . . . . .	9,469,195	9,462,158	9,699,120	12,015,844	14,171,391	13,762,654
<b>Provision for Income</b>						
Taxes . . . . .	—	460,000	292,000	1,030,000	1,318,000	922,000
<b>Earnings retained for use in the business . . . . .</b>	<b>14,679,042</b>	<b>14,610,178</b>	<b>15,009,725</b>	<b>15,489,987</b>	<b>16,006,842</b>	<b>16,607,650</b>



# Canada Wire and Cable Company Limited

## Sales

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### GENERAL SALES MANAGER

J. H. PRYCE

### REGIONAL SALES MANAGERS

O. W. FRANCOEUR, *Eastern Region*

W. N. HEROD, *Central Region*

### DISTRICT SALES MANAGERS

S. C. MOORE, *Atlantic District*

L. G. HARDAKER, *Ottawa District*

A. S. JONES, *Hamilton District*

W. J. MONEY, *Northern District*

J. A. McCRODAN, *Toronto District*

G. F. SMITH, *Manitoba District*

G. L. BROOKS, *Saskatchewan District*

R. WATSON, *Alberta District*

F. S. MILLER, *Edmonton District*

C. G. MOSTYN, *British Columbia*

E. M. DURHAM, *Export*

